Opportunities, Constraints & DEI Workshop

OVERVIEW
Master Plan Timeline: PDA meetings by phase

2023

<table>
<thead>
<tr>
<th>MARCH</th>
<th>MAY</th>
<th>JUNE</th>
<th>OCTOBER</th>
<th>DECEMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kickoff</td>
<td>Eco-Charrette</td>
<td>Opportunities, Constraints &amp; DEI</td>
<td>Scenarios</td>
<td>Draft Master Plan</td>
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2024

<table>
<thead>
<tr>
<th>Assessment</th>
<th>Scenario Development</th>
<th>Master Plan</th>
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Stakeholder Engagement

Updates & Council Input:
- July Council Meeting
- August Council Meeting
- September Council Meeting
- (+ additional meetings as needed)
# Master Plan Timeline: Status Update

<table>
<thead>
<tr>
<th>Outreach</th>
<th>Physical Plant</th>
<th>Retail &amp; Programming</th>
<th>Governance &amp; Financials</th>
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<tbody>
<tr>
<td>BERK, HR&amp;A, MRA, Mithun</td>
<td>Mithun</td>
<td>MRA, HR&amp;A</td>
<td>HR&amp;A</td>
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### To date:
- 2 public events
- 19 external interviews
- 29 internal interviews
- Tenant succession survey

### This summer:
- More interviews
- External community survey
- Internal Market community survey
- 12 discussion groups
- Incorporate community input into scenarios

To date:
- Review of capital needs assessment
- 2 facilities team listening sessions
- Facilities tour
- Sustainability survey of Council and tenants
- Eco-charette
- Review of local, state and national carbon regulations

### This summer:
- Physical plant scenario input
- Scenario visualizations

To date:
- Merchant interviews
- Opportunities and constraints
- Initial market case studies

### This summer:
- Market case studies and retail trends
- Floor plan and demising analysis
- Visitor itineraries and journeys analysis
- Demising, tenanting, journey enhancement input into scenarios

To date:
- Review of governance documents
- Interview with PDA legal council re: governance
- Review of PDA financials

### This summer:
- MHC, Constituency group discussions
- Financial analysis of scenarios
Opportunities, Constraints & DEI Workshop Goals

Based on our data analysis and community input, this workshop will focus on:

- **Opportunities & challenges**
  PPM faces in fulfilling 8 roles.*

- **Potential strategies & interventions**
  to strengthen PPM’s 8 roles.

- **Potential constraints**
  that limit PPM’s opportunities.

- **Ways to achieve DEI**
  across all 8 roles.

Included in this pre-read packet

- **5 proposed interventions for each role** as a starting point for discussion of “what if’s?” and are by no means final recommendations.

- We have asked the Council to **complete a survey** to rank the top 5 interventions per role for discussion at the workshop. Survey results will be shared at the workshop.

*The slides that follow, especially slides 11-12, walk through how we define those 8 roles.*
Workshop Agenda

Goal: report back on due diligence to date and gather feedback on emerging ideas for interventions to achieve Master Plan goals. This will inform creation of Scenarios.

1. Intro, Goal Setting & Framing (15 min)
   a. Project Timeline
   b. Workshop Goals & Agenda
   c. Master Plan Goals, 8 Roles, Opportunities & Constraints Framework (5 min)

2. “What if PPM did X?” (90 min)
   a. Introduce each PPM role and 5 interventions
   b. Discuss top interventions based on Council survey responses
      a. Does this resonate with how you ranked the interventions? Why or why not?
      b. How can we most effectively advance DEI through these interventions?
      c. What’s missing?

3. Synthesis: Emerging Big Ideas and Themes (15 min)
Master Plan Goals (Original)

Goal #1: Celebrate the multiple identities and authentic character that are essential to PPM, fulfill its social impact as the “Soul of the City,” and continue to embrace principles of greater diversity, equity, and inclusion (DEI).

Goal #2: Preserve the physical plant while improving operations, enhancing visitor experience, and embracing environmental sustainability.

Goal #3: Reorient PPM to a local audience with a business model that makes PPM a place for people who live and work in Seattle to shop and gather, and a “seat at the table” on relevant local policy issues.

Goal #4: Build PPM’s financial strength.

Goal #5: Ensure PDA governance structure supports implementation.
Master Plan Goals (Proposed Revisions)

As we have discussed, we will collectively iterate on the goals over the course of the plan. The Consultant team proposes slight revisions for clarity and organization:

**Goal #1:** Celebrate the multiple identities and authentic character that are essential to PPM, fulfill its social impact as the “Soul of the City,” and continue to embrace principles of greater diversity, equity, and inclusion (DEI).

**Goal #2:** Reorient PPM to a local audience with a business model and placemaking that make PPM a place for people who live and work in Seattle to shop, dine, experience, gather, and connect and gives PPM a “seat at the table” on relevant local policy issues.

**Goal #3:** Preserve the physical plant while improving operations, enhancing visitor experience, and embracing environmental sustainability.

**Goal #4:** Build PPM’s financial strength.

**Goal #5:** Ensure PDA governance structure supports implementation.
Pike Place Market Over Time

Over the course of 116 years, Pike Place Market has evolved to adapt to a changing world.

With each major economic shock, social movement, and cultural shift, the Market expanded from its primary, initial role as a farmers market and grocery center, to include a large residential community, community center, food bank, business incubator, and more.
Pike Place Market’s Roles

**Eight roles** have been and will continue to be core to Pike Place Market:
Master Plan Goals & PPM Roles

Strengthening these eight roles is key to achieving the aspirational vision described in Master Plan Goals 1 & 2 and addressing existing challenges associated with Goals 3, 4 & 5.

DEI is embedded across all eight roles

Goal #1: Multiple Identities & DEI
- Local & Tourist Destination
- Food Life Destination
- Farmers Market & Ag Hub
- Makers’ Market & Studio

Goal #2: Local Audience Oriented
- Retail Hub
- Small Business Incubator & Advocate
- Downtown Anchor
- Social Service & Community Steward

Goal #3: Improve Physical Plant

Goal #4: Financial Sustainability

Goal #5: Governance Rules
Pike Place Market Overarching Challenges

While this presentation focuses on strengthening PPM’s 8 roles to achieve the vision in Goals 1 and 2, the Master Plan will also address challenges associated with Goals 3, 4, and 5.

<table>
<thead>
<tr>
<th>Goal #3: Improve Physical Plant</th>
<th>Goal #4: Financial Sustainability</th>
<th>Goal #5: Governance Rules</th>
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</thead>
<tbody>
<tr>
<td>Operational Inefficiencies</td>
<td>Must Self-Fund O&amp;M</td>
<td>Balancing Preservation and Adaptation:</td>
</tr>
<tr>
<td>Sustainability</td>
<td>Future Capital Needs in Excess of Revenues</td>
<td>• Tenanting Guidelines</td>
</tr>
<tr>
<td>Space Constraints</td>
<td>Below-Market Rents to Incubate Businesses</td>
<td>• Historic Preservation Limitations on Market Uses and Design</td>
</tr>
<tr>
<td>Placemaking and Wayfinding</td>
<td>Low-Revenue Microbusinesses</td>
<td></td>
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<td></td>
<td>Constrained Revenue-Generating Space</td>
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</tbody>
</table>
Pike Place Market’s OPPORTUNITIES, CHALLENGES & POTENTIAL INTERVENTIONS
Pike Place Market’s role as 

LOCAL & TOURIST DESTINATION
Opportunities & Challenges: Local & Tourist Destination

The success of Pike Place Market as a national icon and tourist destination depends on its success in delivering authentic experiences that serve locals. Maintaining authenticity to ensure ongoing local commitment and tourist spending requires thoughtful curation of the PPM’s tenant mix to increase opportunity for a robust mix of diverse, small businesses.
Local & Tourist Destination Opportunity: Growing Downtown Population

Downtown’s population has grown 71% since 2010, which indicates increasing opportunity for Pike Place Market to reorient itself to a local audience.

71%+
Increase in Downtown residential population from 2010-2022

102,000+
Estimated residents living in Downtown as of 2022

Source: Downtown Seattle Association (DSA) 2022 Report Card. The DSA defines Downtown as the neighborhoods of Uptown, South Lake Union, Denny Triangle, West Capitol Hill, Belltown, Waterfront, West Edge, Retail Core, First Hill, Pioneer Square, Chinatown-International District, and Sodo.
Local & Tourist Destination Challenges: **Reliance on Tourism & Seasonality**

Particularly in the pre-COVID summer season, PPM was dependent on and sensitive to tourism and travel patterns.

Source: Near mobile visitation data (Raw data). Seattle residents are defined as visitors whose cellphone had a “Home” or evening location in any postal code that is inside the City of Seattle. Regional visitors are defined as visitors who had a “Home” or evening location in the Seattle-Tacoma area, but not in Seattle City proper. Tourists are defined as visitors whose cellphone had a “Home” or evening location outside of Seattle-Tacoma, WA.
Local & Tourist Destination Challenges: **Reliance on Tourism & Seasonality**

Seattle residents, regional visitors, and tourists alike visit primarily over the weekends. There is an opportunity for PPM to attract more locals during the weekdays.

Seattle Resident, Regional Visitors, and Tourist Visitation by Day of Week

Source: Near mobile visitation data (Raw data). Seattle Metro Residents defined as visitors who have a “Home” or evening location within any of the 31 zip codes that are part of the Seattle Metro area. Regional Visitors are visitors from outside the Seattle Metro area but from the larger Seattle-Tacoma MSA area.
Local & Tourist Destination Challenges: Reliance on Tourism & Seasonality

Pike Place Market can solve for seasonal swings by building a stronger local customer base during the fall and winter months.

Source: PDA Data.
Local & Tourist Destination Challenges: Uneven Visitation

Foot traffic is highly concentrated on and confined to Pike Place, as evidenced by widely varying commercial revenues between tenants on Pike Place vs. the lower levels.

<table>
<thead>
<tr>
<th>Business Performer</th>
<th>2021 Revenue</th>
<th>2022 Revenue</th>
<th>2022%</th>
<th>2023 Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pike Place East Side</td>
<td>$17,967,224</td>
<td>$33,321,660</td>
<td>26%</td>
<td>$36,248,636</td>
</tr>
<tr>
<td>Arcades (Economy, Fairley, North)</td>
<td>$3,980,022</td>
<td>$9,255,725</td>
<td>36%</td>
<td>$9,543,668</td>
</tr>
<tr>
<td>Western Views</td>
<td>$7,286,104</td>
<td>$17,502,674</td>
<td>52%</td>
<td>$20,294,084</td>
</tr>
<tr>
<td>Pike Place Interiors</td>
<td>$10,423,850</td>
<td>$18,099,942</td>
<td>48%</td>
<td>$23,508,792</td>
</tr>
<tr>
<td>1st Avenue</td>
<td>$8,236,838</td>
<td>$13,339,492</td>
<td>26%</td>
<td>$13,701,876</td>
</tr>
<tr>
<td>Level 5 Down Under</td>
<td>$359,901</td>
<td>$1,101,079</td>
<td>19%</td>
<td>$1,048,332</td>
</tr>
<tr>
<td>Level 4 Down</td>
<td>$2,444,256</td>
<td>$6,462,687</td>
<td>21%</td>
<td>$6,436,880</td>
</tr>
<tr>
<td>Western Ave</td>
<td>$367,067</td>
<td>$887,910</td>
<td>119%</td>
<td>$1,571,864</td>
</tr>
<tr>
<td>Level 3 Down</td>
<td>$452,448</td>
<td>$1,244,541</td>
<td>18%</td>
<td>$1,130,220</td>
</tr>
<tr>
<td>Flower Row</td>
<td>$250,910</td>
<td>$752,040</td>
<td>27%</td>
<td>$788,256</td>
</tr>
</tbody>
</table>

60% of commercial sales occur along Pike Place*

8% of commercial sales occur in the lower levels

Source: PDA Data on Sales by Location (2022). *This excludes restaurants with waterfront views, which made up 19% of sales in 2022.
## Potential Strategies & Interventions: Local & Tourist Destination

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Strategy</th>
<th>What if we…</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reliance on tourism</td>
<td>Attract and curate more local-serving tenants</td>
<td>Create a comprehensive tenanting plan to create a balanced mix of tenants to support PPM’s goals, including curating diverse and sustainable tenants?</td>
</tr>
<tr>
<td>Seasonal &amp; weekly visitation</td>
<td>Rebrand PPM as a place for locals during non-tourist seasons and weekdays</td>
<td>Incorporate more amenities into the tenant mix to attract locals, such as dry cleaning, veterinary, health services, bike repair shop, etc.?</td>
</tr>
<tr>
<td>Uneven visitation</td>
<td>Activate under-visited spaces with physical strategies &amp; programming</td>
<td>Offer discounts for residents, including partnering with other local institutions and organizations?</td>
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<td></td>
<td>Offer public education and engagement opportunities, particularly around sustainability and local issues?</td>
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<tr>
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<td></td>
<td>Invest in under-visited areas of the Market, diversifying experiences and creating an attractive complement to outdoor areas and Pike Place?*</td>
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*Revised since Council survey distributed.*
Pike Place Market’s role as

FOOD LIFE DESTINATION
Pike Place Market is a renowned food destination. Fully embodying this role today requires strategies to update and diversify offerings to meet the tastes of locals and visitors alike.
Food Life Destination Opportunity: Market Revenue Generator

Restaurants generate the largest median sales among commercial tenants, and food tenants generate the largest median sales per square foot.

Source: PDA Sales Data. Tenants are categorized into three categories: Restaurant (table or counter seating, including cafes), Food (including take-out and casual eateries), and Retail (mercantile shops).
PPM has an opportunity to embrace structural shifts in the dining sector, including increased demand for social dining, rise of online delivery, and changes in customer tastes.

**Rise of Online Delivery**
Food delivery grew 220% during COVID, and food delivery makes up approximately 14% of weekly meals in urban areas. This has also spurred the rise of “cloud kitchens” – commissaries preparing online orders – which grew 53% between 2014-2020 in the U.S.

**Return of Social Dining & Rise of Food Halls**
Social dining has come back aggressively post-COVID and is reflected in more dining bars, communal dining tables, and food halls. Food halls, for example, are predicted to grow by 45% in the coming years with 145 food halls currently under development across the U.S. These new dining patterns reflect increased desire for social encounters, while also resulting in reduced restaurant operational costs.

**Culinary Regionalization**
There is increased interest in food grounded in local historic and cultural influences. Pacific Northwest cuisine is celebrated as a unique, multi-ethnic, multi-cultural, fusion-based mix.

**Wellness and Sustainability**
Customer values are increasingly influencing menus and food production methods.

Source: Cushman & Wakefield;
Food Life Destination Challenges: Reliance on Top Performers

PPM does not currently realize the full potential revenue of being a food life destination with its existing tenant mix and relies on a few top performers. However, this model allows the Market to support marginalized small businesses and fulfill its mission.

2022 Sales by Food Establishments (including restaurant and takeout)

10% of food vendors generate over $75M in annual sales and represent 55% of revenues

Source: PDA Commercial Sales Data.
Food Life Destination Challenges: **Lack of Physical Space**

PPM is limited by a lack of space for restaurant business growth and support.
Food Life Destination Challenges: Lack of Physical Clustering

PPM is limited by a lack of intentional physical clustering to create themed dining zones that are a best practice.
### Potential Strategies & Interventions: Food Life Destination

<table>
<thead>
<tr>
<th>Opp/ Challenge</th>
<th>Strategy</th>
<th>What if we…</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reliance on few top performers</td>
<td>Diversify food offerings &amp; programming</td>
<td>Create a tenanting plan to attract missing food offerings?</td>
</tr>
<tr>
<td>Lack of physical space &amp; clustering</td>
<td>Create zones &amp; expand social spaces</td>
<td>Extend business hours and create programming to make PPM a dinner and post-work shopping destination, targeting office workers and residents?</td>
</tr>
<tr>
<td>Structural shifts in dining</td>
<td>Embrace delivery &amp; focus on local and sustainable foods</td>
<td>Create clear zones and medium-to-large spaces for food and restaurants to draw locals looking for socially-oriented casual dining concepts?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Create shared commissary kitchens, packaging/distribution spaces, and/or delivery pick up zones – in underutilized spaces at PPM or offsite – to support food delivery and shipping?</td>
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<tr>
<td></td>
<td></td>
<td>Highlight sustainable vendors and create food-based events that support social causes (e.g., Native American food startups).*</td>
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*Revised since Council survey distributed.
Pike Place Market’s role as

FARMERS MARKET & AG HUB
Opportunities & Challenges: Farmers Market & Agricultural Hub

“Meet the Producer” lies at the heart of the Pike Place Market brand. Strengthening this role requires attracting and retaining farm and produce vendors, as well as connecting farmers with existing and new distribution partners like food banks.
Farmers Market & Ag Hub Opportunity: Supporting BIPOC farmers & Food Access

Pike Place Market’s “Meet the Producer” mission is deeply intertwined with the history of uplifting minority and immigrant farmers, as well as supporting low-income residents.

Pike Place Market has been a place of economic opportunity for many Seattle immigrants.

- Before WWII, Pike Place Market supported as many as 300 Japanese American farmers who operated 70%+ of farm daystalls.
- Today, Pike Place Market’s farmers include Hmong, Chinese, Vietnamese, Filipino, Sephardic Jewish, Italian, Native American and more.

Pike Place Market also supports food access, particularly for low-income residents.

- The Market has several food assistance programs, including SNAP Market Match & EBT, Fresh Bucks, and others. In 2021, over 1.6K PIKE BOX shares were distributed to low-income shoppers through a partnership with the Market Commons.
Farmers Market & Ag Hub Opportunity: Rising Interest in Local, Sustainable Food

Consumers – particularly younger consumers – are increasingly demanding healthier, locally, grown, sustainable foods.

80% of Americans surveyed* feel it is important that their fruits & vegetables are grown locally

39% of Americans surveyed* stated that they started to eat healthier during the pandemic

Farmers Market & Ag Hub Challenges: Macro-Economic Pressures

Macro-economic, social, and environmental changes are challenging farmers’ profitability and ability to sell at PPM.

**Rising Costs & Decline in Profitability**
Nationally, farmers are facing steep increases in production costs due to labor shortages, logistical constraints, and land appreciation. In the U.S., farms are expected to see a 16% decrease in profits, largely as a result of an expected 4% rise in expenses.

**Greater Competition**
Neighborhood farmers markets and supermarkets are perceived by locals to be more convenient places to shop for quality and affordable produce.

**Aging Workforce & Lack of Succession**
Across the U.S., there are 3.5X as many farmers over the age of 65 as farmers under 35. PPM farmers are uncertain whether their next generation will continue the business.

**Climate Change**
These challenges will be exacerbated by rising temperatures in the Pacific Northwest. The summer of 2022 was the third-hottest recorded in 128 years in the U.S.
Farmers Market & Ag Hub Challenges: COVID Impact

Farmer attendance at Pike Place Market took a significant hit during COVID and has still not recovered to pre-pandemic levels.

Despite growing success, satellite farmers markets were not allowed to be operated due to COVID-19 King County Public Health requirements.

2012-2022 Change in Daily Farmers Attendance

2012-2019 Farmers' Attendance Compound Annual Growth Rate (CAGR) = 1%

69% of 2019 Attendance

Source: PDA Data. Farmers attendance indicates the number of farmers operating daystalls.
Farmers Market & Ag Hub Challenges: Lack of Revenue Data

A lack of revenue data from farm and produce vendors limits PPM’s insights into how farmers are faring and how they can best be supported.

The PDA has granular revenue data from tenants who pay rent – restaurants, food, and retail businesses* – but not farmers.

Understanding farmers’ total revenues and expenses would help the PDA understand additional resources and supports required to sustain farmers presence at Pike Place Market.

Note: Restaurants include table or counter seating, including cafes; food includes take-out and casual eateries; retail includes mercantile shops.
Farmers Market & Ag Hub Challenges: Historic Inequities & Barriers

BIPOC farmers face historic inequities and greater challenges in the agricultural sector, including disproportionately lower rates of land ownership and discriminatory practices.

80% of flower stands at Pike Place Market are owned by Hmong farmers.

VS.

8% of Hmong farmers own the land they farm, a reflection of racist land redistribution laws after the Civil War.

- A 1921 Washington State “Alien Land Law” banned noncitizens (mostly Asians) from renting land, forcing many Japanese immigrants to rent land from white farmers.
- PPM stall spaces were initially distributed inequitably through a “lottery” that favored white men.
- In the U.S., white people own 98% and operate 94% of farmland.
- Today, King County’s Farmland Leasing Program is supporting new, BIPOC, and other “socially disadvantaged” farmers with opportunities to grow farm businesses on County-leased land. In 2022, 50 farms were supported through the program.

Source: Hmong Association of Washington; Pike Place Market; 2018 Portland State University study.
### Potential Strategies & Interventions: Farmers Market & Agricultural Hub

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<tr>
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<th>Strategy</th>
<th>What if we…</th>
</tr>
</thead>
<tbody>
<tr>
<td>Macroeconomic pressures &amp; COVID impact</td>
<td>Ease entry into PPM and create more avenues for farmers to reach customers</td>
<td>Expand existing recruitment efforts to secure additional farmers, including those with existing, but limited, establishments in the region?</td>
</tr>
<tr>
<td>Lack of revenue data</td>
<td>Implement reporting systems to support greater profitability for farmers</td>
<td>Create additional satellite distribution sites, mobile market events, off-site catering, packaging/distribution spaces to expand customer base and address loading limitations at the market?</td>
</tr>
<tr>
<td>Historic inequities &amp; barriers</td>
<td>Support BIPOC food producers</td>
<td>Create a food access bridge between farmers and distributors to create a broader base of demand both for visitors and communities in need?</td>
</tr>
<tr>
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<td></td>
<td>Understand existing farmers revenues in order to provide financial support to farmers to allow their products (including value-add offerings) to be competitive with nearby groceries and markets?</td>
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<td></td>
<td>Highlight vendors with sustainability missions and diverse, local offerings given customers desires for mission-driven businesses?</td>
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</table>
Pike Place Market’s role as **MAKERS’ MARKET & STUDIO**
Opportunities & Challenges: Makers' Market & Studio

PPM is home to a significant artists' and craftspersons' ecosystem. The Market has an opportunity to lean into this, particularly with the shift towards customer interest in **authentic experiences and locally made goods**, as well as the increase in craft participation during the pandemic.
Makers’ Market & Studio Opportunity: Growing Craft Participation

Nationwide, crafting grew significantly during the pandemic. The online platform Etsy nearly tripled its sellers, and revenues grew nearly 70%. Etsy is a unique marketplace for handmade items, vintage goods, and craft supplies.

Etsy Annual Sellers (2012-2022)

Source: Etsy.
Makers' Market & Studio Challenges: **Declining Attendance**

Declining craftspeople attendance at PPM prior to 2020 suggests preexisting structural challenges with PPM’s crafts environment, exacerbated by COVID.

**2012-2022 Change in Daily Craft Attendance**

Source: PDA Data. Craft attendance indicates the number of craftspeople operating daystalls.
Makers' Market & Studio Challenges: Business Growth & Economic Limitations

Interviews indicate craftspeople are limited in their ability to scale their businesses and incomes – notwithstanding rising living costs – in the PPM daystall environment.

- Craftspeople’s aspirations to earn a decent living are impeded by rules regarding how crafts are produced, given slim profit margins for labor-intensive crafts. Changes could impact "Meet the Producer" and handmade rules.

- Some craftspeople (and their employees) are unlikely to be able to earn a decent living from craft sales alone.

“Meet the Producer is the biggest thing for the Market. But the rules that describe production – and my ability to staff my studio – prevent me from being more present at the Market.”
- PPM Craftsperson

“The rules and requirements to keeping the business in the Market take a lot of time – I had to cut back on opportunities to grow my wholesale business to satisfy Market requirements.”
- PPM Craftsperson
Makers' Market & Studio Challenges: Business Growth & Economic Limitations

While consumers are increasingly interested in hybrid maker/retail experiences, PPM does not currently offer a wide range of affordable workspaces for craft production.

There are only 8 work/sell stores at PPM where small business owners are utilizing retail spaces as artist studios and creative workspaces.

PPM does not currently have a dedicated, shared makerspace for its community to reflect its identity as a makers' market & studio.

Example: Places like the Torpedo Factory Art Center in D.C. offer hybrid artist studio and retail/gallery spaces that provides artists with spaces to work and are also engaging retail spaces for customers.
Makers' Market & Studio Challenges: Lack of Revenue Data

A lack of revenue data from craftspeople limits PPM’s insights into how they are faring and how they can best be supported.

The PDA has granular revenue data from tenants who pay rent – restaurants, food, and retail businesses* – but not craftspeople. Understanding craftspeople’ total revenues and expenses would help the PDA identify resources and supports for craftspeople at PPM.

Craftspeople have identified additional supports, including:

• Cohesive marketing & advertising campaigns to create greater awareness of PPM’s unique, self-represented crafts community

• Training and other resources to support craftspeople with online, digital, and other business tools

Note: Restaurants include table or counter seating, including cafes; food includes take-out and casual eateries; retail includes mercantile and craft shops.
### Potential Strategies & Interventions: Makers’ Market & Studio

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Strategy</th>
<th>What if we…</th>
</tr>
</thead>
<tbody>
<tr>
<td>Declining attendance</td>
<td>Recruit diverse craftspeople &amp; create customer interaction opportunities</td>
<td>Create a tenanting plan and expand active recruitment of promising local craftspeople and artisans?*</td>
</tr>
<tr>
<td>Rules do not recognize economic realities</td>
<td>Examine existing Daystall rules and crafts environment</td>
<td>Create work-sell studio spaces to support craftspeople with producing work on site and create opportunities for visitor engagement?*</td>
</tr>
<tr>
<td>Lack of revenue data</td>
<td>Implement reporting systems to better understand needs of craftspeople</td>
<td>Expand guest vendor opportunities &amp; host pop-ups or festivals at PPM to provide craftspeople, particularly those representing BIPOC communities, greater ways to test and market their business?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Revisit Daystall Rules to ensure they are consistent with PPM’s mission to highlight handmade, authentic products, while providing craftspeople with enough flexibility and support to grow their business?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Understand existing craftspeople revenues in order to support makers with digital tools, marketing, and online presence to increase revenue streams?*</td>
</tr>
</tbody>
</table>

*Shortened or revised since Council survey distributed.
Pike Place Market’s role as RETAIL HUB
Opportunities & Challenges: Retail Hub

Pike Place Market offers a **highly unique shopping experience** across its diverse retail stores. As Pike Place Market looks to the future, it must continue to **adapt to ever-evolving retail trends**, including incorporating more experiential retail and digital technologies.
Retail Hub Challenge: Rise of Online Shopping

Across the U.S., brick and mortar retail is struggling due to growth in online shopping, which accelerated during the pandemic.

U.S. Online Retail Sales in Trillions (2000-2022)

Source: US Census Bureau
Retail Hub Opportunity: Changing Retail Environment

PPM is positioned to embrace structural shifts in retail, including offering unique authentic experiences and supporting use of e-commerce to complement in-store shopping.

Experiential Retail
- Authentic shopping experiences that cannot be substituted for online
- Personalized and social experiences
- Local products with a story
- Engagement-based retail experiences including pop-ups and event retail

Technology
- Omni-channel: complementary physical-digital shopping
- “Co-present” technologies that link physical market with digital augmentation
- Augmented reality to create customized market journeys and possible gated experiences
Retail Hub Opportunity: **Make/Sell Consumer Interest**

Concentration of make/sell retailers on Western Avenue is already responding to growing consumer interest and attracting visitors despite their less visible location in PPM.

- Eclipse Hat Shop
- Kubode Plant Shop
- Brooke Westlund Art Studio & Gallery
- Leolo’s Handmade Shoes
## Potential Strategies & Interventions: Retail Hub

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Strategy</th>
<th>What if we…</th>
</tr>
</thead>
<tbody>
<tr>
<td>Changing retail environment</td>
<td>Curate new, diverse retailers for in-store and online shopping</td>
<td>Create a tenanting plan and actively recruit promising small retail businesses to the Market?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Support businesses with their online presence through training or a Market e-commerce website?*</td>
</tr>
<tr>
<td></td>
<td>Create more opportunities and programming for customer interaction &amp; experiential retail</td>
<td>Create a “market” environment by allowing several vendors to lease a single storefront within the Market?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Create work-sell stores and programming to create unique, interactive shopping experiences that keep visitors coming back?*</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Test programming and event-based experiences, including &quot;Scavenger Hunts&quot; or &quot;Market History Tours,&quot; particularly in less visited areas of the Market?</td>
</tr>
</tbody>
</table>

*Revised since Council survey distributed.*
Pike Place Market’s role as

SMALL BUSINESS INCUBATOR & ADVOCATE
PPM has always been a home to first-time small business owners. PPM can expand its capacity to support small businesses and create more formal structures to reap the benefits of being a true incubator, particularly for women owned, BIPOC, and LGBTQIA+ businesses.
Small Business Incubator & Advocate Opportunity: **Expand Small Business Support**

PPM already plays an important role in supporting new businesses and can do more to expand its programming and lean into its role as a small business incubator.

From 2018-2021, 21 classes were offered.

In 2022, the following classes were offered:

- **Small Business Directory Workshops** (Feb 2022)
  - 90 PPM businesses attended one of three workshops offered
  - 100% of survey participants found these workshops helpful

- **Marketing Virtual Office Hours** (Aug 2022)
  - 3 businesses participated in 20-min call to learn about the Market Tenant Dashboard, Market Gift Card, Director, Advertising, and more.

- **Small Business Workshops** (Oct 2022)
  - 31 businesses joined at least one of five workshops on social media, marketing, and financial strategies

“The Market does a lot of things that are awesome. They’ve offered classes, seminars, etc., understanding that most people are not high-tech.”
- Restaurant tenant
Small Business Incubator & Advocate Challenge: Expand Small Business Support

Pike Place Market does not currently operate as a formal incubator. Further, while it explicitly offers space to new businesses, it can also limit businesses’ ability to grow while staying at the Market.

Many small business incubators:

• Have clearly defined targets for business incubation

• Offer 3 to 6 months of formal programming for cohorts of small businesses, including workshops, mentorship, technical assistance, networking and community-building opportunities

• Demonstrate measured impacts on small businesses, such as number of new businesses incubated, increase in sales and profitability, new leases or lease extensions secured, etc.

While PPM is home to and has supported numerous new and independently-owned businesses, it can benefit from finding partners to help expand its business incubator program.

Further, limited space sizes and existing rules (specifically in the daystall environment) can ultimately constrain successful businesses’ ability to scale and grow without leaving PPM.
Small Business Incubator & Advocate Challenges: Difficult Leasing Process

In addition to affordability barriers, PPM’s existing leasing process and exclusive leasing to one-and-only businesses make it challenging for small businesses to enter the market.

1. Business owner submits application for vacant space
2. PDA reviews applications & selects preferred applicants
3. PDA works with preferred applicants on business plan
4. PDA conducts formal evaluation
5. PDA & applicant agree on rental rates & terms
6. PDA Council committee reviews lease terms
7. PDA Council awards final approval
8. Market Historic Commission reviews design application
9. Market Historic Commission reviews use application
10. Lease executed & business open

8 WEEKS TO 1 YEAR+

~6 MONTHS 2-3 MONTHS ~2 MONTHS

Source: PDA (based on a limited dataset).
Small Business Incubator & Advocate Challenges: Lack of Data & Formal Structures

There are currently no formal structures, clear targets, or established processes to measure progress on DEI to ensure diversity across business owners and the broader Market community. As a result, there is no clear picture for what DEI currently looks like for tenants.

While a summer 2022 survey gathered demographic data from PPM businesses, the data is not representative given the small sample size.

The survey recorded 96 responses from the PPM community – less than 1/5th of total businesses. Of the responses, 58 were craftspeople, 35 commercial tenants, 2 farmers, and 1 busker.

Having better data will help the PDA identify where to devote resources to provide better services to the PPM community.

### PPM Business Demographics

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian-Owned</td>
<td>20%</td>
</tr>
<tr>
<td>Black-Owned</td>
<td>5%</td>
</tr>
<tr>
<td>Latino-Owned</td>
<td>7%</td>
</tr>
<tr>
<td>Native-Owned</td>
<td>4%</td>
</tr>
<tr>
<td>Disability-Owned</td>
<td>5%</td>
</tr>
<tr>
<td>LGBTQ+ Owned</td>
<td>16%</td>
</tr>
<tr>
<td>Women-Owned</td>
<td>70%</td>
</tr>
<tr>
<td>Veteran-Owned</td>
<td>8%</td>
</tr>
<tr>
<td>None of the Above</td>
<td>21%</td>
</tr>
</tbody>
</table>
Small Business Incubator & Advocate Challenges: **High Cost of Living**

The need for expanded business and operational support is critical given that the high cost of living and lack of affordable housing in Seattle and Downtown is placing pressures on Pike Place Market’s small business.

- Between 2010-2020, Seattle’s average residential rents grew by **92%**, the nation’s largest rise.

- Cost of living in Seattle is **31%** higher than the State average and **50%** higher than the national average.

- The **Central Waterfront and Belltown** are the most expensive neighborhoods in Seattle with average rents ranging **14-20% higher** than the average City rent.

“I can’t find workers that can afford to live in Seattle. Even living paycheck to paycheck is a stretch.”
- Restaurant tenant
Potential Strategies & Interventions: Small Business Incubator & Advocate

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Strategy</th>
<th>What if we…</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rudimentary business incubation and programming support</td>
<td>Create opportunities for small businesses to learn and grow</td>
<td>Provide more robust small business coaching and resources, including education on digital POS, online presence and succession planning?</td>
</tr>
<tr>
<td>Difficult leasing process, outdated systems &amp; lack of data</td>
<td>Create streamlined processes and structures</td>
<td>Create more opportunities for pop-ups or rotational programs to allow new businesses to test concepts and products?</td>
</tr>
<tr>
<td>High cost of living</td>
<td>Increase affordable housing options for small business owners</td>
<td>Reestablish a merchants’ association to strengthen shared resources and community building?*</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Develop processes that allow PPM to retain new businesses that grow within the market, as well as benefit from businesses that may successfully outgrow the market?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Streamline the leasing process to allow small businesses to enter PPM more easily?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Partner with affordable housing developer to support affordable and maker/artisan live-work housing adjacent to PPM?</td>
</tr>
</tbody>
</table>

*Added since Council survey distributed.
Pike Place Market’s role as **DOWNTOWN ANCHOR**
Opportunities & Challenges: Downtown Anchor

PPM has long been an anchor for Downtown. To fully maximize its role as a Downtown destination, PPM must reinforce connectivity – connectivity both to its surroundings as well as with internal connections and accessibility.
Downtown Anchor Opportunity: Source of Stability During COVID

PPM was a source of vibrancy even as Downtown suffered. PPM could catalyze Downtown recovery and anchor the evolution of a larger mixed-use cultural district.
Downtown Anchor Opportunity: Changing Waterfront

The momentous changes on the waterfront offer PPM an opportunity to strengthen connections and serve as a bridge between the waterfront and Downtown.
Downtown Anchor Challenges: Disjointed Access & Wayfinding

PPM does not currently have a front door on the waterfront.
Downtown Anchor Challenges: Disjointed Access & Wayfinding

PPM’s lack of clear and consistent wayfinding and signage, confusing configuration, and verticality also potentially hinder enjoyable Market journeys.
Downtown Anchor Challenges: Disjointed Access & Wayfinding

Limited ADA access, parking, pedestrian walkways and open space, bathrooms, lactation rooms and climate resilience functions further result in inconsistent and unequal experiences for different Market visitors.
Downtown Anchor Challenges: Disjointed Access & Wayfinding

Moreover, there is jumbled jurisdictional management of Pike Place, one of the city’s best-known multi-functional right of ways.
Downtown Anchor Challenges: **Limited Seating**

A lack of seating also hinders visitors' ability to linger at the market, particularly for seniors, families with young children, and disabled people.
Downtown Anchor Challenges: **Slow Downtown Recovery**

Rethinking access to Pike Place Market is critical for attracting visitors, especially since Downtown activity – and the return of office workers – continues to lag other cities.

**Seattle**
- Ranked 51 of 63 Downtowns
- Downtown Activity at 48% of Pre-Pandemic Levels (Winter 2022)

**Downtown Recovery (Dec 2022-Feb 2023)**

Source: University of Toronto Downtown Recovery Data; Downtown activity is measured primarily by mobile data; Downtown is defined as the zip codes: 98101, 98104, 98154, 98164, 98174. Office vacancy as of Feb 2023 according to CoStar for the geography between First Avenue to I-5 and Yesler Way to Denny Way.
Downtown Anchor Challenges: Slow Downtown Recovery

The perception and reality of crime, drug use, and people experiencing homelessness in Downtown are also major challenges for Pike Place Market.

75% of Seattle voters recently surveyed said they are visiting Downtown less often, citing crime and safety concerns.

Only 12% of Seattle voters are feeling “optimistic” about progress being made on Downtown’s recovery.

However, 88% of voters trust Downtown small businesses on the issue of Downtown recovery.

### Potential Strategies & Interventions: Downtown Anchor

<table>
<thead>
<tr>
<th>Challenge</th>
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<th>What if we…</th>
</tr>
</thead>
<tbody>
<tr>
<td>Slow Downtown recovery</td>
<td>Serve as a catalyst for broader Downtown recovery</td>
<td>Anchor a larger mixed-use cultural &amp; entertainment district, extending across Third Ave &amp; creating a bridge to the waterfront, allowing PPM to leverage uses that cannot be accommodated within PPM.*</td>
</tr>
<tr>
<td>Disjointed access &amp; wayfinding</td>
<td>Implement physical strategies to improve the visitor experience</td>
<td>Enhance new entrances to and from the waterfront with new wayfinding and physical design strategies?</td>
</tr>
<tr>
<td>Limited seating</td>
<td>Incorporate more seating and rest spaces throughout the Market</td>
<td>Incorporate more ADA access strategies, parking, bathrooms, lactation rooms, and climate resilience systems to enhance the visitor experience and better support residents?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Identify better ways to manage Pike Place Market as a multi-functional public right of way?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Create more public open spaces and seating to accommodate outdoor dining, events, etc. and to encourage longer stays at the market?</td>
</tr>
</tbody>
</table>

*Revised since Council survey distributed.
Pike Place Market’s role as
SOCIAL SERVICE & COMMUNITY STEWARD
Opportunities & Challenges: **Social Service & Community Steward**

PPM’s origins are grounded in **serving as a social service and community steward**. The Market will continue to serve Seattle’s communities in need. PPM can strengthen its focus on DEI by tracking and ensuring diversity across PDA staff, Council, and other governing bodies.
Social Service & Community Steward Opportunity: Maximize Impact

PPM has the opportunity to maximize impact of social service provisions, particularly for the Market community, by expanding programs and forming additional partnerships in addition to the Market Foundation.

Existing Programs:

- Affordable & Senior Housing
- Senior Center
- Food Bank & Food Assistance Programs (SNAP Market Match, EBT, Fresh Bucks, WIC & Senior Farmers Market Nutrition, Farm Stand & Highstall Dollars)
- Neighborcare Health
- Childcare & Preschool
- Recovery & Emergency Funds (Small Business Recovery Fund, Community Safety Net Emergency Funds, Rachel’s Reserve)
- The Market Commons Resource Hub
Social Service & Community Steward Challenges: Limited Public Awareness

PPM is currently not widely known for its community and social impact work, despite playing an important role as a social service provider for populations in need.

“Uplift the Foundation and social services at the Market – it will help us see the impact of the Market more broadly.”
- External Stakeholder

“A lot of people don’t understand the social services component of the Market – that is a missed opportunity.”
- External Stakeholder

“The social services side is not well known – I only learned about this recently.”
- External Stakeholder

“People don’t know the difference between the PDA and Foundation.”
- External Stakeholder
Social Service & Community Steward Challenges: Lack of Diversity Data and Targets

As a community steward, the Market’s governance must reflect the diversity of the community it serves. There are currently no processes to assess and measure progress on DEI in order to ensure diversity across the PDA, Council, and other governing bodies.

The PDA is currently developing processes to assess and measure progress on DEI in order to ensure ongoing diversity across the PDA, Council, and other governing bodies.
### Potential Strategies & Interventions: Social Service & Community Steward

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<tr>
<th>Challenge</th>
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</tr>
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<tbody>
<tr>
<td>Limited public awareness</td>
<td>Amplify PPM’s DEI and social impact work through various channels</td>
<td>Create opportunities, in partnership with more native and BIPOC organizations, to highlight Indigenous, immigrant, BIPOC, LGBTQIA and other stories at the Market, including through public art, interpretive signage, and others?</td>
</tr>
<tr>
<td>Need for more inclusive service provision</td>
<td>Expand social service provision &amp; DEI initiatives</td>
<td>Identify additional areas for collaboration between the PDA, Foundation, and other partners, including highlighting PPM’s role as a social service provider?</td>
</tr>
<tr>
<td>Lack of diversity data &amp; targets</td>
<td>Develop formal structures and policies to track DEI</td>
<td>Improve accessibility and inclusivity by incorporating multilingual signage, gender neutral restrooms, more seating, ADA accessibility, and other?</td>
</tr>
</tbody>
</table>

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Challenge:
- Limited public awareness
- Need for more inclusive service provision
- Lack of diversity data & targets

Strategy:
- Amplify PPM’s DEI and social impact work through various channels
- Expand social service provision & DEI initiatives
- Develop formal structures and policies to track DEI

What if we…
- Create opportunities, in partnership with more native and BIPOC organizations, to highlight Indigenous, immigrant, BIPOC, LGBTQIA and other stories at the Market, including through public art, interpretive signage, and others?
- Identify additional areas for collaboration between the PDA, Foundation, and other partners, including highlighting PPM’s role as a social service provider?
- Improve accessibility and inclusivity by incorporating multilingual signage, gender neutral restrooms, more seating, ADA accessibility, and other?
- Adopt new processes to ensure leaders of PPM reflect the diversity of the greater Seattle area?
- Adopt systematic data tracking, metrics, and targets to ensure accountability on DEI goals?
Potential Interventions: Questions to Reflect On

What are your reactions to these interventions? (What’s missing?)

Which would have the greatest impact on achieving the Master Plan’s goals?

Which interventions are low hanging fruit? Which require the greatest level of effort?

Which interventions would most effectively advance social stewardship and DEI?